nationalgridESO

Meeting minutes

GB TERRE Implementation Group

Date:	02/12/2020	**Location:**	Virtual
Start:	12:00	**End:**	13:00

Contact: box.balancingprogramme@nationalgrideso.com

Minutes and slides for all meetings will be published here.

Participants

Attendee	Company
Graham Dolamore (Chair)	ESO
David Bowman (Tech-sec)	ESO
Gareth Davies	ESO
Bernie Dolan	ESO
Stefan D'Alessandro	ESO
Tom Ireland	ESO
Andy Hadland	Arenko
Catherine Hennigan	BEIS
Murray Rennie	Brady
Natasha Davidson	CGI
Raghu Trichinapoly Vijayabhasker	CGI
Tom Edwards	Cornwall Insight
Mads Odsgaard Olesen	Danske Commodities
Andy Paton	ElecLink
Michael Carrington	ElecLink
Roger Harris	Elexon
Kate Boon	Engie
Sabina Chaudhary	Engie
Natasha Lingaloo	National Grid Ventures
Alastair Owen	Ofgem

Paul Usher	Quorum
Naji Tarhini	RTE
Jo Manship	RWE
Paul Coates	RWE
Mark Hancock	Siemens
Mark Devine	Sembcorp
Charlotte Johnson	Upside Energy
Andrew Heygate-Brown	Welsh Water

Agenda

#	Topics to be discussed	
1.	Welcome and introductions	Graham Dolamore
2.	Update from interconnector working group	Tom Ireland
3.	Scenarios	David Bowman
4.	Implementation plans	Graham Dolamore
5.	Next steps and next meeting	Graham Dolamore

Discussion and details

#	Topics to be discussed

1.   Welcome, introductions, agenda and terms of reference

- The chair welcomed everyone to the Group and thanked them for their attendance.

2.   Update from interconnector working group

- The first meeting was held on 30 November 2020. The group can be thought of as a re-start of a previous group that was developing the operational agreements for TERRE.

- Topics for the first meeting included apprising everyone of the current status and necessary next steps due to the implementation pause. The ESO will circulate to subgroup members the various operating protocols and commercial arrangements, as well as the indicative timetable for how these might proceed. These will be discussed at the next subgroup meeting.

- Expressions of interest for attending the subgroup are welcome using the above contact details.

3.   Scenarios

- The speaker reminded the group of the four scenarios. The first three were presented by the ESO in the last meeting, and the fourth was suggested during that meeting.

- In Scenarios 1 and 2, the industry waits for legal clarity before proceeding further. In Scenarios 3 and 4, the industry proceeds before gaining legal clarity.

- Scenario 1 assumes GB will have not be able to exchange replacement reserve (RR) using TERRE in the way currently envisaged. In Scenario 2, this can take place.

- In Scenario 3, the ESO proceeds now on the basis there will be access to the TERRE platform as currently envisaged but notes that depending on the final trade agreement (FTA), there is a material risk of re-work. In Scenario 4, all work is paused.

- The speaker summarised the feedback that had been received outside of the meeting and invited further comments.

- One party mentioned that Scenario 1 could split into two distinct scenarios, one where a standalone approach is considered and another that uses bilateral exchanges, noting that they did not feel the latter was credible. It was agreed this would be discussed at the Interconnector working group.
- There was an overall view that Scenario 3 was not credible, so implementation plans based on it will not be developed, and that Scenario 4 was a subset of Scenario 1, so it will form a decision point of Scenario 1.
- The ESO agreed to take forward Scenarios 1 and 2 to work up the implementation plans in more detail.

4. **Implementation plans**

- The speaker summarised the current TERRE implementation status, including the IT infrastructure that has been successfully tested and the activities that would be needed to re-start IT delivery for TERRE.
- Noting the previous conversation, the speaker outlined high-level, indicative implementations plans for Scenario 1 and 2. The speaker noted that these were conservative timelines based on the current legal view.
- For Scenario 1, there would need to be a review of the relevant energy and balancing clauses of the FTA and a cost-benefit analysis of a standalone implementation, before reaching agreement on GB implementation and how it is coordinated with third parties flows across boundaries. In parallel, the ESO would undertake an impact assessment of its other Forward Plan commitments. Commercial arrangements with third party suppliers would also take place alongside defining the architecture for GB implementation. At some point during this the reintegration of the TERRE codebase into the Balancing Mechanism and other IT systems could start, along with design, development and testing work. Overall, the timeline indicates 19 months from the FTA position being established to go-live.
- For Scenario 2 there would be a review and assessment of the FTA and a gap analysis of the legal requirements and TERRE functionality as baseline assumptions would be made prior to the FTA. There would also be a Forward Plan impact assessment, although shorter than in Scenario 1, and continuous code integration could start immediately. Remobilisation for technical delivery would also start immediately ahead of defect resolution. Once the gap analysis is complete, testing can begin. there would be continuous engagement with interconnectors and other TSOs. The timeline indicates around 12 months from the FTA position being established to go-live.
- Comments on the high-level implementations plans for Scenarios 1 and 2 are welcome. They will be used by the ESO to develop the more detailed implementations plans that will be presented at the next meeting.

5. **Next steps and next meeting**

- Next meeting: Wednesday 9 December, 12 noon - 1pm.
- Agenda items include discussion of more detailed implementation plans and the industry action plan that based on these.

Action Item Log

Action items: In progress and completed since last meeting

ID	Description	Owner	Due	Status	Date
1	Provide comments on scenarios presented, including: • Are the scenarios credible? • Have any scenarios been missed? • Based on the scenarios, when could your organisation commit to implement?	All	27/11/2020	Closed	25/11/2020
2	Provide comments on the high-level implementations plans for Scenarios 1 and 2	All	04/12/2020	Open	02/12/2020